



MANUFACTURED HOME COMMUNITIES PARK LICENSING REQUIREMENTS & INFORMATION TOOLS

I. Introduction

The ability to use tools such as database and mapping technology is dependant, in large part, on access to reliable data. One method of obtaining data on manufactured home communities (MHC) is through state licensing requirements. Below is a brief introduction to how licensing schemes affect the ability of advocates to utilize database and mapping tools.

II. Licensing and registration requirements: an overview

There are currently 19 states that require licensing of MHCs. The method of licensing, the licensing agency and the enforcement of the licensing requirements vary greatly from state to state. In Minnesota, for example, the state Department of Health is the licensing agency, but this agency has the authority to delegate this licensing authority to local departments of health, creating inconsistencies in enforcement of license requirements and a lack of consistency of information. A different approach, taken by Connecticut, is to have the licensing though the Department of Consumer Protection. This ensures that licenses are based not only on maintaining minimal health and safety conditions, but also on compliance with tenant protections built into the state statutes.

State	Licensing Agency	State or Local
California	Department of Housing and Community Development	State
Connecticut	Department of Consumer Protection	State
Florida	Department of Business and Professional Regulation	State
Illinois	Department of Health	Local
Indiana	Department of Health	State
Maine	Department of Professional and Financial Regulation	State
Massachusetts	City Board of Health	Local
Michigan	Department of Commerce	State
Minnesota	Department of Health	Local and State
Nebraska	Department of Health	State

New York	Department of Health	State
North Dakota	Department of Health	Local and State
Ohio	Department of Health	Local
Rhode Island	Department of Business Regulation	State
South Carolina	Zoning and Planning	Local
Vermont	Department of Housing and Community Affairs	State
West Virginia	Department of Health	Local
Wisconsin	Department of Commerce	State
Wyoming	Department of Health	State

It is important to note that simply having a licensing requirement does not mean that the state maintains a comprehensive set of data related to the size, number or location of MHCs. While our purpose in examining licensing requirements is for data analysis, for most states accuracy of data appears to be at best a secondary function. Likewise, if a state has local licensing requirements this does not necessarily mean that advocates have to approach each individual county or municipality in order to obtain a comprehensive dataset. Ohio, for example, has a licensing requirement established through state statute but the licensing is done on a local level. However, the state Department of Health requires that each local licensing agency provide annual reports to the state.

Additionally, the use of an annual requirement is not the only way to obtain MHC data. For example, Washington had a one year registration period during which owners were supposed to provide the state department of manufactured housing with information on location and size of MHCs. According to Ishbel Dickens of Columbia Legal Services, there were several drawbacks to this system including the lack of enforcement provisions, which fostered limited compliance, and the limited time period of required registration.

III. How licensing requirements relate to using tools

The use of tools for evaluating MHCs as a piece of the affordable housing puzzle is dependant on the quality of the data. The primary resource for MHC data is the U.S. Census, but this data has some significant flaws that limit its usefulness. The primary flaw is that the census does not differentiate between homes in MHC, where the home owner rents the land, and homes that are sited on owned land. It is possible to construct a methodology for separating out data for two categories, but this requires knowing the number of lots in MHCs by geographical unit, whether this is by census tract, city or county. (See Protocol for Data Collection & Mapping)

MHC licensing requirements are only useful for analysis if the information is accurate, complete and accessible. For example, while Minnesota has a licensing requirement, the lack of a central statewide repository severely limits the accessibility of the data. HPP put together the only statewide database of MHCs in existence but this required extraordinary effort and resources to accomplish. The reliability of this data depends on the competence and thoroughness of the local compiling agency, the source for the data. Conversely, while Washington does not have a licensing requirement, they have made available, through the Community Trade and Economic Development office website, a list of all of the MHC that were

registered during the one year registration period. One drawback to the Washington data is that the compliance rate for registration is estimated to be approximately 80%. Using the limited information available it is possible to use the mapping and database tools; however the lack of complete information will necessarily limit the accuracy and completeness of the analysis.

Vermont appears to have what may be the best system available for ensuring accuracy, accessibility and completeness of data. The Department of Housing and Community Affairs is responsible for the annual registration of all MHCs in the state. Additionally the department must report every three years to the state legislature. The report includes information on the size and location of all MHCs in the state as well as a history of rents and amenities. This information can be useful for data and mapping tools, but also can be a valuable resource for policy advocacy efforts. Unlike Washington, where the lack of compliance enforcement was a barrier to effective data collection, Vermont has the authority to enforce compliance through the administrative and judicial systems.

IV. Recommendations for change

There are several key recommendations related to licensing of MHCs for both Minnesota and other states if the primary aim is to obtain complete and accurate information for database and mapping tools. Please note that other aims, such as enhanced compliance monitoring, might give rise to different set of recommendations.

- All states should have a licensing or registration requirement that includes regular reporting of information including, at a minimum, location and ownership of the community, number of units, occupancy levels, amenities, rents, and any maintenance violations received during the reporting period. Ideally, the reporting requirements should include demographic information about the community's residents but opposition from owners and residents for this type of reporting for privately unsubsidized communities may occur. The licensing should be through a central state agency. This can be accomplished either by having the state agency conduct the licensing process or be the central repository of the information collected and reported by local licensing authorities.
- The agency responsible for licensing should have authority to enforce the licensing requirements through judicial action. Preferably licensing and enforcement authority should be vested in an agency with a housing related mission. Shifting the responsibility for registration of MHCs was a significant step in Vermont towards achieving a comprehensive tracking system. According to Arthur Hamlin of the Vermont Department of Housing and Community Affairs, it was only after the state shifted from a Natural Resources Department licensing scheme to a Department of Housing registration requirement, that the state was able to effectively track and analyze manufactured housing.
- Create a reliable funding stream for the regulatory agency to ensure adequate staffing and enforcement. The quality of information available and the enforceability of licensing and

registration requirements are affected by the sufficiency of resources. For instance, in Minnesota the Department of Health has very limited resources for licensing MHCs and so enforcement is minimal. This is contrasted with Vermont which funds the licensing process through the yearly registration fees, currently set at \$9 per lot. The amount and reliability of this funding has enhanced the agency's ability to not only collect but analyze data assisting the preservation effort. Additionally, the funds raised through the registration program are used to fund a dispute resolution program for MHC residents and owners. Establishing a regular funding source such as those connected to registration fees, rather than relying on legislative appropriations will also protect the funding from the vagaries of the political system.